


Approved:


 SHIVA H. LOGARAJAH/QAIS GHAFARY/MICHAEL D.
 LOCKARD/KATHRYN WHEELock
 Assistant United States Attorneys

Before: THE HONORABLE ANDREW E. KRAUSE
 United States Magistrate Judge
 Southern District of New York

23 MJ 4263

-----X
 :
 UNITED STATES OF AMERICA :

SEALED COMPLAINT

- v. -

Violations of
 18 U.S.C. §§ 201(b)(1), 371, 951,
 1956(h), and 2

JOHN CHEN, a/k/a “Chen Jun,” and
 LIN FENG,

Defendants.

COUNTY OF OFFENSE:
 ORANGE

-----X
 SOUTHERN DISTRICT OF NEW YORK, ss.:

CHRISTOPHER S. ESSICK, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation (“FBI”), and charges as follows:

COUNT ONE

(Conspiracy to Act as an Agent of a Foreign Government Without Notifying the Attorney General and to Bribe a Public Official)

1. From at least in or about January 2023, up to and including in or about May 2023, in the Southern District of New York, the People’s Republic of China (“PRC”), and elsewhere, JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, and others known and unknown, knowingly combined, conspired, confederated, and agreed together and with each other to commit offenses against the United States, to wit, (1) acting as agents of a foreign government without prior notification to the Attorney General, in violation of Title 18, United States Code, Section 951; and (2) bribery of a public official, in violation of Title 18, United States Code, Section 201(b)(1).

2. It was a part and an object of the conspiracy that JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, and others known and unknown, knowingly would and did act in the United States as agents of a foreign government and a foreign official, to wit, the PRC Government and an official of the PRC Government (“PRC Official-1”), without prior notification to the Attorney General, as required by law, in violation of Title 18, United States Code, Section 951.

3. It was further a part and an object of the conspiracy that JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, and others known and unknown, directly and indirectly, corruptly gave, offered, and promised something of value to a public official, with intent to influence an official act, and to influence a public official to commit and aid in committing and to collude in, and allow, and to make opportunity for the commission of a fraud on the United States, and to induce a public official to do an act and omit to do an act in violation of his official duty, to wit, CHEN and FENG paid \$5,000 in cash bribes, and promised to pay substantially more, on behalf of the PRC Government, to a purported Internal Revenue Service (“IRS”) agent who was in fact an undercover officer (“Agent-1”), in exchange for Agent-1’s assistance in processing and advancing a defective whistleblower complaint that CHEN had filed with the IRS (the “CHEN Whistleblower Complaint”) as part of a PRC Government-directed scheme to revoke the tax-exempt status of a 501(c)(3) organization (“Entity-1”) run by Falun Gong practitioners (the “Bribery Scheme”).

Overt Acts

4. In furtherance of the conspiracy and to effect the illegal objects thereof, JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, and their co-conspirators, including PRC Official-1, committed the following overt acts, among others, in the Southern District of New York, the PRC, and elsewhere:

a. On or about January 21, 2023, during a recorded call with a particular individual (“Individual-1”¹), CHEN discussed planning to bribe an IRS official to investigate the Falun Gong with the ultimate goal of achieving the PRC Government’s aim to “topple” the Falun Gong, and stated that “leadership” – referring to PRC Government officials – would be “very generous” in funding the illicit payments.²

b. In or about early February 2023, CHEN sent the CHEN Whistleblower Complaint to the IRS.

c. On or about March 20, 2023, during a recorded call, PRC Official-1 – who, as detailed herein, *see, e.g., infra* ¶¶ 16-17, is a PRC Government official managing and directing CHEN and FENG’s participation in the PRC Government’s Bribery Scheme targeting the Falun Gong – discussed the CHEN Whistleblower Complaint with Individual-1, and conveyed that he wanted CHEN to meet with Agent-1 regarding the CHEN Whistleblower Complaint.

¹ At all times relevant to this Complaint, Individual-1 was being paid by the FBI. The information that he/she has provided has been corroborated, including by information set forth in this Complaint.

² Unless otherwise noted, all communications quoted and described in this Complaint are based on draft translations and summaries of communications that occurred in Mandarin. These draft translations and summaries are subject to change. All communications quoted and described are set forth in substance and in part.

d. Approximately five days later, on or about March 25, 2023, CHEN contacted Agent-1 by email, and subsequently set up a meeting with Agent-1 for May 15, 2023.

e. On or about May 8, 2023, CHEN entered the United States from the PRC, carrying approximately \$10,400 in cash, and was picked up at the airport by FENG.

f. On or about May 12, 2023, on a call intercepted pursuant to a judicially authorized Title III wiretap CHEN and FENG discussed that, while CHEN was in the United States, they would receive “direction” from PRC Official-1 on carrying out the Bribery Scheme through a PRC-based encrypted messaging application (“Application-1”); that they would “delete” instructions received from PRC Official-1; and that they would “alert” and “sound the alarm” to PRC Official-1 if the planned meeting with Agent-1 did not go as anticipated.

g. On or about May 14, 2023, CHEN and FENG met with Agent-1 in or around Newburgh, New York, during which meeting CHEN gave a \$1,000 cash bribe to Agent-1 as an initial, partial payment to Agent-1, and CHEN offered, in furtherance of the Bribery Scheme, to pay Agent-1 a total of \$50,000 for Agent-1 to open an audit on Entity-1, as well as 60% of any whistleblower award from the IRS if the CHEN Whistleblower Complaint was successful.

h. On or about May 16, 2023, during an intercepted call between CHEN and FENG, CHEN stated, in the course of discussing the Bribery Scheme targeting the Falun Gong, that PRC Official-1 is “the one that is always in charge of these matters.”

i. Also on or about May 16, 2023, during a recorded call with Agent-1, CHEN reiterated that he was carrying out the Bribery Scheme with FENG on behalf of the PRC Government, and stated that his associates in the PRC Government “are like blood brothers. We started this fight against [the founder of the Falun Gong] twenty, thirty years ago. They are always with us.”

j. On or about May 18, 2023, FENG paid Agent-1 a \$4,000 cash bribe at John F. Kennedy International Airport (“JFK Airport”) as an additional partial payment to Agent-1 in furtherance of the Bribery Scheme.

k. Also on or about May 18, 2023, during a recorded call, CHEN told Agent-1 that he would return to the PRC and gather more funding for the Bribery Scheme, and that FENG would thereafter hand deliver two \$25,000 payments to Agent-1 in New York to execute the Bribery Scheme.

(Title 18, United States Code, Section 371.)

COUNT TWO

(Acting as an Agent of a Foreign Government Without Notifying the Attorney General)

5. From at least in or about January 2023, up to and including in or about May 2023, in the Southern District of New York and elsewhere, JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, knowingly acted in the United States as agents of a foreign government and a foreign official, to wit, the PRC Government and PRC Official-1, without prior notification to the Attorney General, as required by law.

(Title 18, United States Code, Sections 951 and 2.)

COUNT THREE
(Bribing a Public Official)

6. In or about May 2023, in the Southern District of New York and elsewhere, JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, did, directly and indirectly, corruptly give, offer, and promise a thing of value to a public official, with intent to influence an official act, and to influence a public official to commit and aid in committing and to collude in, and allow, and to make opportunity for the commission of a fraud on the United States, and to induce a public official to do an act and omit to do an act in violation of his official duty, to wit, CHEN and FENG made a total of \$5,000 worth of cash payments to Agent-1, and corruptly offered Agent-1 at least \$50,000 in additional payments, in furtherance of the Bribery Scheme.

(Title 18, United States Code, Sections 201(b)(1) and 2.)

COUNT FOUR
(Conspiracy to Commit International Money Laundering)

7. In or about May 2023, in the Southern District of New York, the PRC, and elsewhere, JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, and others known and unknown, intentionally and knowingly combined, conspired, confederated, and agreed together and with each other to commit money laundering, in violation of Title 18, United States Code, Section 1956(a)(2)(A).

8. It was a part and an object of the conspiracy that JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, and others known and unknown, would and did transport, transmit, and transfer, and attempt to transport, transmit, and transfer, a monetary instrument and funds to a place in the United States from and through a place outside the United States, in an amount exceeding \$10,000, with the intent to promote the carrying on of specified unlawful activity, to wit, bribery of a public official, as charged in Count Three of this Complaint, in violation of Title 18, United States Code, Section 1956(a)(2)(A).

(Title 18, United States Code, Section 1956(h).)

9. The bases for my knowledge and for the foregoing charges, are, in part, as follows:

a. I am a Special Agent with the Counterintelligence Division of the FBI’s New York Field Office, and, in that role, I have participated in numerous counterintelligence investigations. Among other things, my duties with the FBI have included investigations involving agents working at the direction of foreign governments without prior notification to the United States. Based on my training and experience, I have become knowledgeable about criminal activity, particularly violations of the federal statutes governing the conduct of foreign agents. I have been involved in the investigation of this matter.

b. This Complaint is based upon my own knowledge, my conversations with

others, including other law enforcement agents, and my examination of reports and records. Because this Complaint is being submitted for the limited purpose of demonstrating probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

OVERVIEW

10. The charges in this Complaint arise from the PRC Government's efforts to harass, intimidate, disrupt, and otherwise repress practitioners of Falun Gong – a spiritual practice banned in the PRC.

11. As detailed below, JOHN CHEN, a/k/a "Chen Jun," and LIN FENG, the defendants, have worked inside the United States subject to the direction or control of the PRC Government, and particularly PRC Official-1, to further the PRC Government's campaign against Falun Gong practitioners.

12. CHEN is a 70-year-old U.S. citizen and former citizen of the PRC with ties to the PRC Government, who was born in the PRC and now maintains residences both in or around Los Angeles and in the PRC. FENG, who is CHEN's long-time associate, is a 43-year-old citizen of the PRC and a U.S. lawful permanent resident, who was born in the PRC and now resides in or around Los Angeles.

13. Acting on behalf of the PRC Government, CHEN and FENG, at the direction or under the control of and in coordination with the PRC Government and PRC Official-1, have engaged in the Bribery Scheme: a scheme to manipulate the IRS Whistleblower Program, through bribery and deceit, to strip the tax-exempt status for Entity-1 – an entity run and maintained by Falun Gong practitioners – based on the CHEN Whistleblower Complaint. The CHEN Whistleblower Complaint is facially deficient and contains rhetoric similar to the propaganda that the PRC Government uses to justify its subjugation and harassment of Falun Gong members. The goal of advancing the CHEN Whistleblower Complaint through the Bribery Scheme was, as CHEN described on a recorded call, to execute the PRC Government's objective of "toppl[ing] . . . the Falun Gong." To carry out the Bribery Scheme, CHEN and FENG, acting at the direction or control of PRC Official-1, have made multiple illicit cash bribe payments to Agent-1 to advance the CHEN Whistleblower Complaint. Neither CHEN nor FENG have notified the Attorney General that they are acting as agents of the PRC Government in the United States.

PRC GOVERNMENT EFFORTS TO TARGET AND REPRESS FALUN GONG PRACTITIONERS

14. Based on my involvement in this investigation and others, my review of law enforcement records, reports, and open-source information, and my training and experience, I have learned the following, in substance and in part:

a. Falun Gong (or "Falun Dafa") is a spiritual practice that has been officially banned in the PRC since on or about June 10, 1999. The PRC Government has designated the Falun Gong as one of the "Five Poisons," or one of the top five threats to its rule.

b. Falun Gong adherents face a range of repressive and punitive measures from the PRC Government, including imprisonment, and some adherents have died because of this persecution.

c. The PRC Government's efforts to repress the Falun Gong are centralized in a particular PRC Government department, which is known as the "610 Office." That moniker was derived from the date (June 10, 1999) that the PRC Government officially banned the Falun Gong, as noted above. For many years, the "610 Office" maintained a principal location in the PRC city of Tianjin.

THE CHEN WHISTLEBLOWER COMPLAINT

15. Based on my review of the CHEN Whistleblower Complaint, my communications with other law enforcement agents, my communications with IRS personnel, and my review of open-source information, I have learned the following, in substance and in part:

a. The IRS Whistleblower Program is designed to reward individuals who provide information that the IRS may use to collect otherwise uncollected taxes. By statute, the IRS is required to award at least 15 percent but not more than 30 percent of the proceeds collected to whistleblowers who provide actionable information for the IRS.

b. As detailed further below, as part of the PRC Government's campaign to target and repress the Falun Gong, in or about early February 2023, CHEN sent the CHEN Whistleblower Complaint to an IRS office in New Windsor, New York (the "New Windsor IRS Office").

c. The CHEN Whistleblower Complaint repeatedly refers to the Falun Gong as a "cult" and ends by calling the Falun Gong a "gigantic mega cult." The PRC Government uses similar rhetoric in its propaganda to describe the Falun Gong. For instance, on the website of the PRC Embassy in Washington, D.C. ("PRC Embassy Website"), the PRC Government describes the Falun Gong as "a cult that seriously harms the society and violates human rights, and is a cancer in the body of the modern and civilized society."³

d. The CHEN Whistleblower Complaint is facially deficient, and IRS personnel have advised that the IRS Whistleblower Program would reject the CHEN Whistleblower Complaint.

THE DEVELOPMENT OF THE BRIBERY SCHEME

January-February 2023: CHEN Plans to Pay Bribes, on Behalf of the PRC Government, to "Topple" the Falun Gong

16. Based on my review of translations and summaries of recorded calls with Individual-1, my communications with other law enforcement agents, and my review of reports

³ I reviewed the content from the PRC Embassy Website on May 24, 2023.

and records related to this investigation, including travel records, I have learned the following, in substance and in part:

a. On or about January 21, 2023, on a recorded call with Individual-1, JOHN CHEN, a/k/a “Chen Jun,” the defendant, discussed a plan that he was pursuing on behalf of the PRC Government and had previously discussed with Individual-1. In sum and substance, the plan was to convince the IRS to strip Entity-1’s tax-exempt status by filing an IRS whistleblower complaint and making illicit payments to advance such a complaint. Individual-1 told CHEN that Individual-1 potentially had a “friend” – who was, in fact, Agent-1 – who could aid with matters at the IRS. CHEN stated that they should “pay, pay the person” to investigate the Falun Gong. CHEN informed Individual-1 that the ultimate goal of the scheme was to achieve the PRC Government objective to “topple . . . the Falun Gong.” CHEN further stated that the “leadership” – referring to PRC Government officials – “is very generous.”⁴ Based on my training, experience, and involvement in this investigation, I believe that CHEN was conveying that the PRC Government would fund illicit payments to advance the scheme to disrupt the Falun Gong.

b. About a week later, on or about January 28, 2023, on a recorded call with Individual-1, CHEN emphasized that “after this-this-this thing is done” – referring to a potential IRS investigation into the Falun Gong – “reward for work will surely be given at that time.” Based on my training, experience, and involvement in this investigation, I believe that CHEN was reiterating that the PRC Government would fund illicit bribe payments to “reward” any IRS personnel who assist the PRC Government scheme targeting the Falun Gong by advancing the CHEN Whistleblower Complaint.

c. Thereafter, CHEN sent the CHEN Whistleblower Complaint, addressed to Agent-1, to the IRS New Windsor Office. CHEN had received Agent-1’s contact information, including the address for the IRS New Windsor Office, from Individual-1. The IRS New Windsor Office received the complaint on or about February 6, 2023.

d. On or about February 8, 2023, on a recorded call with Individual-1, CHEN stated that he wanted PRC Government officials (“leadership”) to “talk” to Agent-1 about the CHEN Whistleblower Complaint without revealing who they were (“they won’t say they are that department”), explaining that “[w]e don’t want to go off the script and screw-screw the thing up.” CHEN also admonished Individual-1 not to discuss the planned bribe payments, stating that “[i]f you [Individual-1] say pay money, damn it, it’ll leave a trail along the way, and it’ll be troublesome.” Based on my training, experience, and involvement in this investigation, I believe that CHEN was warning Individual-1 that the payment of PRC Government-funded bribes to advance the scheme must be concealed.

⁴ Based on my conversation with an FBI linguist, as well as my training and experience, I understand that the Mandarin term “ling dao,” which translates to “leadership,” is a term typically reserved for PRC Government officials.

March 2023: PRC Official-1 Discusses the CHEN Whistleblower Complaint with Individual-1 and CHEN Contacts Agent-1

- e. On or about February 10, 2023, CHEN left the United States for the PRC.
- f. After returning to the PRC, on or about February 19, 2023, CHEN sent two voice notes over Application-1 to Individual-1 stating that he was seeking more information about Agent-1 because the PRC Government (“leadership”) was interested in working with Agent-1 but required additional information about Agent-1.
- g. On or about March 7, 2023, on a recorded call with Individual-1, CHEN introduced Individual-1 to PRC Official-1, briefly passing the phone to PRC Official-1 after introducing him as “leadership.”
- h. On or about March 20, 2023, PRC Official-1 called Individual-1. During the recorded call, PRC Official-1 identified himself by name and stated his desire for CHEN to have a “face-to-face meeting with” Agent-1 regarding the CHEN Whistleblower Complaint. Shortly thereafter, on or about March 25, 2023, CHEN contacted Agent-1 by email and, during the ensuing exchange, set up a meeting with Agent-1 for May 15, 2023 at the IRS New Windsor Office to debrief regarding the CHEN Whistleblower Complaint (the “May 15 Meeting”). Based on my review of IRS protocols and communications with IRS personnel, I understand that a whistleblower complaint, such as the CHEN Whistleblower Complaint, cannot advance through the IRS Whistleblower Program without a formal debrief of the whistleblower who filed the complaint.
- i. As described below, CHEN subsequently requested and arranged for himself and FENG to have an informal, unofficial meeting with Agent-1 the day before the formal debrief, on May 14, 2023 (the “May 14 Meeting”). During the May 14 Meeting, CHEN made an initial bribe payment to Agent-1 to advance the CHEN Whistleblower Complaint.

CHEN AND FENG CONTINUE WORKING AT THE DIRECTION OF THE PRC GOVERNMENT TO EXECUTE THE BRIBERY SCHEME

CHEN Returns to the United States and Arranges an Informal Meeting with Agent-1 Prior to the May 15 Meeting

17. Based on my review of translations and summaries of interceptions from a judicially authorized Title III wiretap, on a number ending in 3989 used by JOHN CHEN, a/k/a “Chen Jun,” the defendant (the “CHEN Number” and the “CHEN Wire”), translations and summaries of recorded interactions with Agent-1, emails between CHEN and Agent-1, and reports and records related to this investigation, I have learned the following, in substance and in part:

- a. On or about May 8, 2023, CHEN re-entered the United States from the PRC at Los Angeles International Airport (“LAX”). During a secondary inspection, CHEN was found to be traveling with approximately \$10,400 in cash, \$10,000 of which was denominated in \$100 bills and stacked and bundled together. Based on my training, experience, and involvement in this

investigation, and as further described below, I believe the cash that CHEN brought into the United States was at least in part for the purpose of carrying out the Bribery Scheme.⁵

b. LIN FENG, the defendant, picked CHEN up at LAX on or about May 8, 2023. The following day, on or about May 9, 2023, CHEN called Agent-1 and invited Agent-1 to meet the day before the May 15 Meeting (*i.e.*, the May 14 Meeting). On that call, which was recorded, CHEN stated that he would be bringing a “driver” to the May 14 Meeting, referring to FENG. Shortly after that call, on a call intercepted over the CHEN Wire, CHEN called FENG and advised that he “got in touch with the other side,” referring to his contact with Agent-1, a purported U.S. Government official (the “other side”). CHEN also told FENG that he would invite FENG to the May 14 Meeting.

c. On or about May 10, 2023, CHEN and Agent-1 spoke again by phone, on a recorded call. CHEN assured Agent-1 that FENG could be “trust[ed]” and discussed with Agent-1 that the May 14 Meeting would be used to develop a “plan” in light of Agent-1’s having told CHEN that the CHEN Whistleblower Complaint presented as a “weak case” for the IRS.

CHEN and FENG Discuss Receiving “[D]irection” from PRC Official-1 Before the May 14 and 15 Meetings

d. On or about May 12, 2023, CHEN called FENG to discuss their operational plans for the May 14 and May 15 Meetings with Agent-1. During the call, which was intercepted over the CHEN Wire, CHEN and FENG had the following conversation:

CHEN: Did you add . . . Mr. [PRC Official-1]’s [Application-1]?
 FENG: Added, added. He talked to me.
 CHEN: You added it, huh?
 FENG: I said: “If you have any direction then send it to the group, afterwards, I will delete it, and it’s fine.” He [PRC Official-1] said “good, good.”
 CHEN: This what you should, I added you just in case.
 FENG: What?
 CHEN: No. As in, when I go and everything is normal, then I will do the communication, everything is fine. If there is something – impossible issues – if there is a surprise situation, then you contact directly. You sound the alarm. You . . .
 FENG: Who should I alert?
 CHEN: [PRC Official-1].

Based on my training, experience, and involvement in this investigation, I believe that, during the above exchange, CHEN and FENG discussed their operational plans for continuing to receive “direction” on the Bribery Scheme from PRC Official-1 while CHEN was in the United States

⁵ During a secondary inspection at LAX during CHEN’s previous entry into the United States from the PRC, on or about November 15, 2022, CHEN was found to be traveling with approximately \$52,000 in cash.

carrying out the scheme with FENG. Those plans included communicating over Application-1 with PRC Official-1, deleting instructions received from PRC Official-1 in order to evade detection by U.S. authorities, and “alert[ing]” and “sound[ing] the alarm” to PRC Official-1 if CHEN and FENG’s meetings with Agent-1 did not go as planned.

CHEN Makes an Initial Bribe Payment to Agent-1 During the Informal May 14 Meeting

e. On or about May 14, 2023, CHEN and FENG met with Agent-1 at a restaurant in or around Newburgh, New York (“Restaurant-1”). Over the course of the May 14 Meeting, which was recorded, CHEN offered to pay Agent-1 for advancing the CHEN Whistleblower Complaint. Specifically, CHEN explained that if Agent-1 opened an audit on Entity-1, Agent-1 would receive a total of \$50,000, and that CHEN was prepared to make a down payment of 10% (\$5,000) if Agent-1 began advancing the CHEN Whistleblower Complaint. CHEN further promised Agent-1 that Agent-1 would receive 60% of any potential whistleblower award should the CHEN Whistleblower Complaint be successful.

f. During the May 14 Meeting, CHEN and Agent-1 left Restaurant-1, at CHEN’s behest. CHEN and Agent-1 then entered the backseat of Agent-1’s vehicle, where CHEN handed Agent-1 \$1,000 in cash, paid in \$100 bills. CHEN and Agent-1 subsequently went back to Restaurant-1 and rejoined FENG. During the ensuing conversation, at CHEN’s request, FENG agreed that he would fly back to New York to pay Agent-1 \$4,000, which represented the rest of the 10% down payment on the \$50,000 bribe that CHEN had promised Agent-1 for opening an audit on Entity-1.

CHEN Lies About the True Purpose of the CHEN Whistleblower Complaint During the Official May 15 Meeting

g. On or about May 15, 2023, the day after making the initial bribe payment to Agent-1 in the backseat of Agent-1’s vehicle, CHEN met with Agent-1 at the IRS New Windsor Office for what CHEN understood to be the official debrief on the CHEN Whistleblower Complaint. FENG dropped off CHEN at the meeting.

h. During the May 15 Meeting, conducted inside the IRS New Windsor Office and principally in English, CHEN lied repeatedly in an effort to conceal the true purpose of the CHEN Whistleblower Complaint. For instance, CHEN claimed, in sum and substance, that he had filed the CHEN Whistleblower Complaint for the benefit of American taxpayers. As described herein, CHEN was in fact seeking to advance the CHEN Whistleblower Complaint, through the Bribery Scheme, to carry out the PRC Government’s campaign to target and repress the Falun Gong.

CHEN Admits to Agent-1 That He Is Working on Behalf of the PRC Government and FENG Makes an Additional \$4,000 Bribe Payment to Agent-1

i. On or about May 16, 2023, CHEN emailed Agent-1 and stated: “[m]y friend are hesitate to act right now. Is it possible to start by IRS first then we will proceed? Please let me know.” Based on my training, experience, and involvement in this investigation, I believe

that CHEN was informing Agent-1 that his associates in the PRC Government (“friend[s]”) were hesitant to make further payments (“act right now”) unless and until the IRS initiated action on the CHEN Whistleblower Complaint (“start by IRS first”), after which CHEN would be able to make additional PRC Government-funded payments as promised (“then we will proceed”).

j. During a subsequent recorded call that same day, on or about May 16, 2023, CHEN told Agent-1 that his “friends” were from “inside the country” – which I believe, based on my training, experience, and involvement in this investigation, was a reference to CHEN’s associates in the PRC Government, such as PRC Official-1. CHEN further advised Agent-1 that his “friends” had told CHEN that “America, USA relationship . . . not that good,” and that they were therefore worried “there will be some issue” with the execution of the Bribery Scheme. Because of these concerns, CHEN asked Agent-1 to “give [CHEN] something in writing” so that CHEN could show these PRC Government officials that they could trust Agent-1.

k. Also on or about May 16, 2023, in a call intercepted over the CHEN Wire, CHEN called FENG and they discussed the Bribery Scheme. In the course of that discussion, CHEN stated that PRC Official-1 is “the one that is always in charge of these matters.” Based on my training, experience, and involvement in this investigation, I believe that CHEN and FENG were discussing that PRC Official-1 is the PRC Government official “in charge” of the Bribery Scheme – a scheme to target and repress the Falun Gong. CHEN further advised FENG to “think of a way . . . how to get [\$5,000] transfer[red] over to [Agent-1].” FENG responded that it was “no problem” and that he would do a “round trip” to New York to further the Bribery Scheme “in the same day.” As noted above, FENG resides in Los Angeles.

l. Later on or about May 16, 2023, Agent-1 emailed CHEN a document purporting to reflect that the CHEN Whistleblower Complaint had been referred to the IRS’s Audit Department – consistent with CHEN’s request, described above, that Agent-1 provide CHEN with some documentation that CHEN could relay to PRC Government officials. After that, on a call intercepted over the CHEN Wire, CHEN updated FENG that Agent-1 had “sent [CHEN] a letter with IRS letter head and he said they have opened a case on Falun Gong. They will audit them so it’s no problem then.” CHEN further explained that he would “withdraw money quickly and will give it to [FENG] tomorrow” and that “[FENG] should get ready for it” – meaning that FENG should make plans to go to New York, as they had discussed, to deliver the additional bribe payment to Agent-1. CHEN also noted that he would “contact Tianjin again.” Based on my training, experience, and involvement in this investigation, I believe that CHEN was informing FENG that he would contact PRC Government officials (“Tianjin”) to provide an update on the progress of the Bribery Scheme. As described above, PRC Government officials tasked with persecuting the Falun Gong were previously known to be centralized in Tianjin.

m. In or about the early morning hours of May 18, 2023, Agent-1 met FENG at JFK Airport. FENG paid Agent-1 \$4,000 in cash in furtherance of the Bribery Scheme. FENG told Agent-1 that he would make additional flights to New York to meet with Agent-1 to make payments for CHEN.

CHEN Reiterates His Commitment to Working on Behalf of the PRC Government to Repress the Falun Gong Through the Bribery Scheme

n. On or about May 16, 2023, on a recorded call with Agent-1, CHEN again reaffirmed that he was working on behalf of the PRC Government. CHEN told Agent-1 that Agent-1 needed to “trust these friends” – referring to PRC Government officials – because “[t]hey are like blood brothers. We started this fight against [the founder of the Falun Gong] twenty, thirty years ago. They are always with us.”

o. In the same conversation, CHEN reiterated that he was prepared to pay Agent-1 60% of a potential whistleblower award. CHEN also again promised to pay Agent-1 a total of “approximately fifty thousand” to open an audit on Entity-1.

p. During the May 16 call, CHEN also discussed the source of the bribe payments, stating that “the money is from all of us” – which I believe, based on my training, experience, and involvement in this investigation, was a reference to the PRC Government. CHEN further noted that his method for executing these cash bribe payments was “secret” because “it is very risky to bring money into the US, need, need to use some special methods. It needs some time.” CHEN then informed Agent-1 that he would return to the PRC in June and thereafter make sequenced payments to Agent-1 between July and September. CHEN explained that the reason for such sequencing was that he could not “bring in fifty thousand” to the United States because “it’s so much. In the US, ten thousand is over, and one has to declare. Darn it, don’t want to declare.”

q. In subsequent communications, CHEN has continued to reiterate his and FENG’s commitment to executing the Bribery Scheme. In another recorded call with Agent-1, on or about May 18, 2023 (after FENG had made the above-described bribe payment to Agent-1 at JFK Airport), CHEN told Agent-1 that on his June trip to the PRC, he would gather money to fund bribe payments to Agent-1. CHEN then specified that FENG would make two trips to New York, one at the end of July and one at the beginning of August, to deliver two additional cash payments of \$25,000 each to Agent-1 in furtherance of the Bribery Scheme.

18. According to checks of its database by the U.S. Department of Justice’s Foreign Agents Registration Act (“FARA”) Unit in May 2023, JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, have never registered under FARA or notified the Attorney General pursuant to 18 U.S.C. § 951 and 28 C.F.R. § 73.3(a) that they were acting in the United States as agents of a foreign government.

WHEREFORE, the deponent prays that warrants be issued for the arrests of JOHN CHEN, a/k/a “Chen Jun,” and LIN FENG, the defendants, and that they be arrested and imprisoned, or bailed, as the case may be.

/s/ Christopher S. Essick
(by AEK, with permission)

CHRISTOPHER S. ESSICK
Special Agent
Federal Bureau of Investigation

Sworn to me through the transmission of this
Complaint by reliable electronic means, pursuant to
Federal Rule of Criminal Procedure 4.1, this
24th day of May 2023 [by FaceTime]



HONORABLE ANDREW E. KRAUSE
UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK